

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

MONARCH INVESTMENTS, LLC., §
Plaintiff §
v. §
§
ELIAS V. LORENZANA JR., §
FERNANDO AURRECOECHEA, ALEJANDRO §
AURRECOECHEA, WAYNE CADENA, §
CANDICE AGUIRRE, NASH MARTINEZ, §
LUCY CADENA, §
LORENZANA & SARHAN, INC., LORENZANA §
LAW FIRM, P.C., KHALED M. SARHAN, §
ELIAS J. LORENANA, M.D., LORENCO INC., §
TEXAS ECONOMIC REGIONAL CENTER §
HOLDING CO., LLC., and §
UNITED PILLARS GROUP, LLC. §
§
Defendants §

Case No. 14-1019

DEFENDANTS' ORIGINAL ANSWER & GENERAL DENIAL

Defendants, ELIAS V. LORENZANA JR., LORENZANA & SARHAN, INC.,
LORENZANA LAW FIRM, P.C., KHALED M. SARHAN, ELIAS J. LORENANA, M.D.,
LORENCO INC., and TEXAS ECONOMIC REGIONAL CENTER HOLDING CO., LLC. ,
files this original answer and general denial to Plaintiff Monarch Investments LLC.'s original
complaint.

A. General Denial

1. Defendants generally denies Plaintiff's allegations pursuant to *Fed. R. Civ. Pro. 8 (b)(3)*,
and more specifically denies Plaintiff's allegations in paragraphs 16 through 61 of Plaintiff's
complaint.

B. Affirmative Defenses

2. An accord and satisfaction occurred on the contract. Plaintiff agreed to be co-investors in a privately held company and business for the creation of a medical clinic, known as “Wellness Med Clinics, LLC.”. Plaintiff made a monetary investment and Defendants also made monetary investments as well as “sweat equity” and labor man hours for the management of the medical clinic as well as other work related to managing a business. Plaintiff is an “accredited investor” and knew fair well the risks of starting up a new business, and this case a new medical clinic. For Plaintiff’s quid pro quo, he agreed to be a passive “partner” in the business and was given a 35% gross share in the company, Wellness Med Clinics, LLC. Consequently, proper accord and satisfaction has been satisfied. See Macurdy v. Sikov & Love, P.A., 894 F.2d 818, 824 (6th Cir. 1990).

C. Conditions Precedent

3. Plaintiff has not performed all conditions precedent that it was required to perform before filing suit. Plaintiff did not seek to ascertain and verify its facts relating to Defendants Elias J. Lorenzana, M.D. and Lorencos, Inc., neither of which are shareholder or members of Wellness Med Clinics, LLC. or United Pillars Group, LLC. Neither Defendants, Elias J. Lorenzana M.D. , nor Lorencos, Inc. are Managers of Wellness Med Clinics, LLC. or United Pillars Group, LLC. Neither defendants, Elias J. Lorenzana M.D. , nor Lorencos, Inc. contracted with Plaintiff, nor were any part of the investment made by Plaintiff into Wellness Med Clinics, LLC. Plaintiff arbitrarily included defendants Elias J. Lorenzana, M.D. and Lorencos, Inc. without verifying its facts. Plaintiff had no dealings with defendants Elias J. Lorenzana, M.D. and Lorencos, Inc., and therefore did not and has not performed all conditions precedent. See Fed. R. Civ. P. 9(c); Carroll v. Acme-Cleveland Corp., 955 F.2d 1107, 1115 (7th Cir. 1992).

4. For said wanton failure by Plaintiff to arbitrarily include defendants that it did not have dealings with nor contracted with is wantonly harassing and should be sanctioned by this honorable court for doing so.

D. Prayer

5. Prayer. For these reasons, defendants asks the court to do the following:
 - a. Render judgment that plaintiff take nothing.
 - b. Dismiss plaintiff's suit with prejudice.
 - c. Assess costs against plaintiff.
 - d. Award defendants attorney fees, and award defendants all other relief the court deems appropriate.

Respectfully submitted,

LORENANA LAW FIRM

/s/

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M.D., LORENCO INC., and TEXAS ECONOMIC
REGIONAL CENTER HOLDING CO., LLC.

CERTIFICATE OF SERVICE

Pursuant to Fed. R. Civ. Pro. 5, the foregoing Defendants' Answer & General Denial was served on Plaintiff's counsel via e-filing through the court's ECF filing system on this 6th day of December, 2014.

/s/

Elias V. Lorenzana Jr.